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PEPPERTREE PARK VILLAGES 9&10, LLC

**UNITED STATES BANKRUPTCY COURT**  
**SOUTHERN DISTRICT OF CALIFORNIA**

In re	Case No. 17-05137-LT11
PEPPERTREE PARK VILLAGES 9 & 10, LLC	Chapter 11
Debtors.	<b>CONVERSION REPORT</b> <b>[FRBP 1019]</b>

On June 27, 2022, the Court entered an Order converting the above-reference case under Chapter 11 to a Case unde Chapter 7. [Doc 849]. On July 11, 2022, Northern Capital, Inc. (“NCI”), filed a Motion for entry of an order (I) Reconsidering the order converting case under chapter 11 to case under chapter 7, and (II) Granting related relief (the “Motion”). [Doc 856]. On August 3, 2022, the Court issued a Minute Order Denying the Motion, in accordance with its Tentative Ruling. [Doc No. 885 and 881]. Reorganized Debtor Peppertree Park Villages 9&10, LLC (“PPV 9&10”) hereby submits the following Conversion Report pursuant to Federal Rules of Bankruptcy Procedure Rule 1019.

**A. Property acquired after the commencement of the chapter 11 case but before the entry of this conversion order.**

None.

**B. Executory contracts and unexpired leases entered into or assumed after the commencement of the chapter 11 case but before the entry of this conversion order.**

1.	Contracted Party: Address:  Nature of Agreement: Date Entered:	Peppertree Land Company, LLC 5256 S. Mission Rd., Suite 900 Bonsall, CA 92026 Property Management Agreement Renewed June 2022
2.	Contracted Party: Address:  Nature of Agreement: Date Entered:	Franklin Soto Leeds LLP 444 West C Street, Ste 300 San Diego, CA 92101 Legal Services April 14, 2022
3.	Contracted Party: Address:  Nature of Agreement: Date Entered:	BD Acquisitions and/or Successor 613 Birchwood Court Danville, CA 94506 Membership Purchase June 12, 2022
4.	Contracted Party: Address:  Nature of Agreement: Date Entered:	Justus Enterprises, LLC P.O. Box 60094 San Diego, CA 92166 Engagement as Manager/CRO October 18, 2021
5.	Contracted Party: Address:  Nature of Agreement: Date Entered:	Meritage Homes of California, Inc. c/o Sullivan Hill Rez & Engel 600 B Street, Ste 1700 San Diego, CA 92101 Settlement and Release January 31, 2022

[Additional Contracted parties are listed in Section C, below.]

**C. Unpaid debts incurred after the commencement of the case but before entry of the conversion order.**

*(Including the name and address of the creditor, the unpaid balance, the approximate date incurred, and a description of what the debt is for.)*

1.	Name: Address:  Amount Owed: Date Incurred: Consideration:	Higgs Fletcher & Mack LLP 401 West A Street, Suite 2500 San Diego, CA 92101 \$195,336.81 October 2021 to March 2021 Unpaid legal fees
2.	Name: Address:  Amount Owed: Date Incurred: Consideration:	Judkins, Glatt & Rich 600 B Street, Suite 2350 San Diego, CA 92101 \$3,277.50 January 2022 to April 2022 Unpaid legal fees
3.	Name: Address:  Amount Owed: Date Incurred: Consideration:	Gatzke, Dillon & Ballance 2762 Gateway Road Carlsbad, CA 92009 \$4,503.00 January 2021 to February 2021 Unpaid legal fees
4.	Name: Address:  Amount Owed: Date Incurred: Consideration:	Northern Capital, Inc. 5256 S. Mission Road, Suite 905 Bonsall, CA 92003 \$97,313.63 January 2020 G3PM legal fees reimbursement due per Section 11.3 of Peppertree Park Villages 9&10 LLC Operating Agreement
5.	Name: Address:  Amount Owed: Date Incurred: Consideration:	Duane Urquhart 5256 S. Mission Road, Suite 905 Bonsall, CA 92003 \$165,380.00 January 2020 G3PM legal fees reimbursement due per Section 11.3 of Peppertree Park Villages 9&10 LLC Operating Agreement

6.	Name: James Wohl Address: 1925 Century Park East, Ste.2140 Los Angeles, CA 90067 Amount Owed: \$6,818.39 Date Incurred: February 2021 to August 2022 Consideration: Unpaid legal fees
7.	Name: McKinley, LLP Address: 501 West Broadway, Suite 1340 San Diego, CA 92101 Amount Owed: \$ (955.88) Date Incurred: March 2022 Consideration: Remaining left in McKinley trust account as of last invoice (legal fees)
8.	Name: Northern Capital, Inc. Address: 5256 S. Mission Road, Suite 905 Bonsall, CA 92026 Amount Owed: \$233,000.00 Date Incurred: January 2021 to December 2021 Consideration: Unpaid project management fees
9.	Name: Justus Enterprises, LLC Address: P.O. Box 60094 San Diego, CA 92166 Amount Owed: \$ (13,695.76) Date Incurred: April 2022 Consideration: Remaining left in Justus trust account as of last invoice (management fees)
10.	Name: Baker Tilly Address: 3655 Nobel Drive, Suite 300 San Diego, CA 92122 Amount Owed: \$6,685.00 Date Incurred: October 2020 to June 2022 Consideration: Unpaid accounting fees
11.	Name: Bossler Group LLC Address: 3835 Wildwood Rd San Diego, CA 92107 Amount Owed: \$7,696.00 Date Incurred: April 2021 to August 2022 Consideration: Unpaid consultant fees

12.	Name: Rich Brasher Address: P.O. Box 55187 Atlanta, CA 30308 Amount Owed: \$25,000.00 Date Incurred: June 2021 to August 2022 Consideration: Unpaid consultant fees
13.	Name: Dudek Address: 605 3 <sup>rd</sup> Street Encinitas, CA 92024 Amount Owed: \$1,716.25 Date Incurred: June 2021 to November 2021 Consideration: Unpaid consultant fees
14.	Name: Helix Environmental Planning Address: 7578 El Cajon Blvd, Suite 200 La Mesa, CA 91942 Amount Owed: \$15,256.25 Date Incurred: July 2021 to October 2021 Consideration: Unpaid consultant fees

DATED: August 18, 2022

**FRANKLIN SOTO LEEDS LLP**

By: /s/ Paul J. Leeds

PAUL J. LEEDS

Attorneys for Reorganized Debtor  
PEPPERTREE PARK VILLAGES  
9&10, LLC